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Illinois Health Reform Implementation Council
Comments of the Sargent Shriver National Center on Poverty Law
On Essential Health Benefits Benchmark Plan
September 19, 2012

Submitted to www.healthcarereform.illinois.gov

The Sargent Shriver National Center is a law and public policy organization whose mission is increasing justice and opportunity for America's low income individuals, families, and communities. We have advocated for improvements and expansions in public health care programs, such as Medicare, Medicaid, EPSDT, and CHIP, and for expansion of access to affordable, comprehensive, quality health care for all Americans for many decades. We are firm supporters of the Affordable Care Act and are working in Illinois and nationally for its successful implementation.

We thank Governor Quinn and the Health Reform Implementation Council for the state's ongoing efforts at successfully implementing the Affordable Care Act for the people of Illinois. We appreciate this opportunity to comment on the Essential Health Benefit's (EHB) benchmark plan. We have the following suggestions we hope Illinois will take into account as it makes its decision on the EHB benchmark plan.

First, while we do not have a preferred plan, we urge Illinois to not choose any of the federal plans as its benchmark due to their exclusions and limitations on services mandated for private insurance plans in Illinois.

Second, we urge Illinois to take the comments of advocacy organizations which represent constituencies with particular medical needs very seriously. These organizations have decades of experience advocating for adequate health insurance coverage for the adults and children in their constituencies and know how the various option plans meet or fail to meet their needs. They know first-hand how insurers refused to offer coverage to people with pre-existing conditions, excluded coverage of those conditions from their policies, imposed lifetime and/or annual dollar caps on coverage, limited number of services per year, and refused to cover goods and services policy holders and their doctors thought medically necessary. In other words, they know where the option plans failed their constituencies in the past, and they can offer important insight into how to correct those failures in the future when the ACA's requirements for community rating and guaranteed issue and prohibitions on lifetime or annual limits change the landscape for insurers and customers.

Likewise, these constituency-based advocacy organizations can offer insight into how to



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spot insurance practices that discriminate against protected groups. Illinois should listen to their counsel and be vigilant that its benchmark recommendation does not discriminate.

Third, we suggest that Illinois choose a benchmark plan that aligns well with the benefits provided in Illinois Medicaid and Children's Health Insurance (All Kids) Programs, preferably as those programs existed before the 2011 and 2012 service cuts enacted by the General Assembly. People should not have less medical coverage when income changes move them off or onto Medicaid or All Kids.

Fourth, Illinois should choose a benchmark plan that offers comprehensive coverage for all medically necessary, evidence-based treatments, goods, and services. Leaving out medically necessary services or goods in order to cut cost will not result in good health care for those purchasing qualified health plans. This is particularly true for those currently uninsured who may need more care in the initial months or years of being insured in order to attain a state of health not available to them while uninsured. They need to have the full range of goods and services—for example, diagnosis, treatment, follow up care, and ongoing prescription medication—available and covered. Such full range coverage is the most cost efficient in the mid to long run and is most likely to produce better health status.

Additionally, the generous premium assistance and cost sharing reductions the ACA offers to those between 133% and 400% of the Federal Poverty Level aim at enabling low and middle income individuals and families to purchase comprehensive health plans, not skimpy ones. Illinois' choice of benchmark plan should allow Illinois residents to take maximum advantage of the federal subsidies.

We also urge you to reject the insurance industry's advice to make cost the most important factor in plan choice. The ACA's Medical Loss Ratio requirements mean that insurance companies need to sell more policies to increase their income and profits, and therefore they want to be able to sell low-cost plans so they can attract more customers. Their self-interest, not good health policy, drives their focus on cost, cost, and only cost.

Fifth, we endorse the separate comments of Health and Disability Advocates, which suggested looking to the Medicaid/CHIP/EPSTD definitions for describing habilitative and rehabilitative services and pediatric vision and dental care.

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